

# **NYS HOME Local Program Manufactured Housing Replacement Administrative Plan**

*A Guidebook for Grantees*

New York State

Office of Community Renewal

HOME Investment Partnership Program (HOME)

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# Introduction

## Purpose of the Administrative Plans / How to use the Plans

This Administrative Plan (Plan) describes the Federal and State policies, procedures, and requirements applicable to a Manufactured Home Replacement Program. **This plan is specific to this activity only and supplements the General Administrative Plan that covers all HOME activities.**

This Plan must be followed by Local Program Administrators (LPAs) in the administration of a NYS HOME Program and will be enforceable along with all aspects of the contract and Federal HOME Investment Partnership Program regulations at 24 CFR Part 92.

The “Catalogue of Federal Domestic Assistance Number” for this Program is 14.239.

All forms and related documents referred to in this Plan are available on the HCR HOME Program website at: <https://hcr.ny.gov/nys-home-program>.

Acronyms used throughout the Plan:

HUD:	Housing and Urban Development
HCR:	NYS Homes and Community Renewal
HTFC:	Housing Trust Fund Corporation
LPA:	Local Program Administrator (Non-profit or Municipality)
POA:	Period of Affordability
MWBE:	Minority/Women-Owned Business Enterprise
IDIS:	Integrated Disbursement and Information System
WAP:	NYS HCR Weatherization Assistance Provider
EAU:	HCR’s Environmental Analysis Unit
OCR:	Office of Community Renewal

NYS HOME Local Program Manager: is assigned to the LPA at contract execution and is the HTFC OCR staff representative that will assist the LPA to administer the contract with HTFC

# Chapter One: Activity Eligibility

## Eligible Activity

Manufactured Housing Replacement is considered reconstruction for the purposes of the NYS HOME Local program.

It is the installation, on the same lot, of a new manufactured housing unit that replaces an existing, sub-standard manufactured or mobile home standing on the site at the time of project commitment or was demolished within the last 12 months prior to the date of commitment.

The number of housing units on the lot may not be decreased or increased as part of a reconstruction project, but the number of rooms per unit may be increased or decreased.

New manufactured units must meet NYS and/or Local Code upon completion, be installed according to the Manufactured Home Construction and Safety Standards at 24 CFR Part 3280 and in compliance with Permanent Foundation Requirements at 92.251(e) upon completion.

All new manufactured units and appliances must be Energy Star rated and/or meet Energy Star standards.

## Project Assistance Limits

HOME funds may not exceed \$140,000 per unit, inclusive of all costs. Waivers to exceed this limit may be requested through Program Managers.

The amount of HOME funds necessary for manufactured housing replacement must be “right sized” for the individual homeowner’s financial situation and if applicable based on the cost necessary to meet program property standards.

All projects must meet an underwriting and subsidy layering review. See Chapter 4 for more information on underwriting.

# Chapter Two: Property Eligibility

## Eligible Property Types

Owner-occupied, sub-standard manufactured or mobile housing unit. Unit must be documented in the file to be substandard at the time of replacement.

## Purchase Price Limit

The estimated value of the property after the replacement cannot exceed the HOME Maximum Sales Price Limits (maximum purchase price /after rehab value) as published annually by HUD at the time of project commitment, available at [HOME Homeownership Value Limits - HUD Exchange](#)

# Chapter Three: Financial Management

## Project Costs

Project costs are those permitted by the NYS HOME Local Program Budget Policy available in Chapter 2 of the General Administrative Plan.

Examples include:

- Manufactured home replacement hard costs necessary to replace the sub-standard unit with a new manufactured unit that is Energy Star rated to meet NYS and/or Local Code upon completion.
- Cost for standard energy star rated appliances for the new manufactured unit are eligible (stove, refrigerator, air conditioning, dishwasher, and minor landscaping).
- Site improvements and connections to off-site utilities necessary to complete the manufactured home replacement.
- Soft costs related to the replacement of the unit.
  - Project delivery
  - Other third-party costs necessary to implement the improvements, such as permits, inspections, legal and recording fees.
- Relocation costs as necessary.

## Applicant Fees - Charges to Homeowners

The LPA may not charge applicants servicing, origination, or other fees for the purpose of covering costs of administering the HOME program.

The LPA may charge nominal application fees to discourage frivolous applications. The fees must be appropriate to the type of application and may not create an undue impediment to a low-income family's participation in the program.

## Disbursements

Please refer to the Program General Administrative Plan for details on Disbursements.

Please note - Because HOME is a reimbursement program, LPAs are encouraged to obtain a Line of Credit to fund the cost of replacements. Advances of funds are not permitted.

Disbursement of funds for rehabilitation work (foundation, site work, placement) require submission of a certification, signed by the LPAs construction professional, the homeowner, and contractor stating that the work has been satisfactorily completed.

Final disbursement requests must include documentation of code compliance and the signed property attestation. The completion form must be submitted at final disbursement.

# Chapter Four: Homeowner Eligibility

At the time of application, the LPA must document that the homeowner:

- Owns the property
  - Units manufactured in 1995 and after, require a title through NYS DMV, therefore should be able to provide a title as documentation of ownership regardless if in a park or on personally owned land.
  - For units on personally owned land a deed to the land should also be provided demonstrating ownership as the land and the unit are separately owned.
  - For unit models pre-1995 (or less than 8ft x 40ft), a bill of sale is the preferred documentation of ownership. If not available, alternate documentation showing due diligence investigating ownership is permitted. Examples depending on circumstance could be a letter from the park owner acknowledging to the best of their information who the owners of the unit are, a notarized statement from the owners of the unit conceding ownership, and a memo to the file documenting what was investigated and why a bill of sale or title is not available, etc.
- Lives in the property as their primary residence (by obtaining a copy of utility bill, bank statement, and/or canceled mail with their name and address)
- Is current on mortgage(s)
- Is current on property taxes, fees owed to the municipality, rents for park owned land
- Homeowner has and maintains adequate homeowner's and/or flood insurance as necessary and premiums are paid up to date. Should a homeowner not be eligible for homeowners' insurance due to the condition of the property, but receive repairs funded by HOME that would make the unit eligible after rehabilitation, this documentation can be collected after project completion.

# Chapter Five: Activity Regulations

## Environmental Review Tier 2

New units more than 122% larger than the old unit will require an explosive hazards survey and comply with any explosive and flammable hazards on the Tier 2 checklist.

## Lead Based Paint (LBP)

Manufactured home replacement activity does not require a LBP risk assessment or LBP testing for the unit that is being disposed of and/or going to be demolished. The new unit also will not be required to be tested for LBP.

The substandard unit to be demolished must be disposed of in a disposal/recycling facility that is certified by the NYS Department of Conservation (DEC) to receive, process and recycle and/or dispose of mobile/manufactured home components.

## Inspections

The file must document the following to determine that work was done satisfactorily in accordance with the work scope, signed contract, and required property standards.

- A Pre-Construction Conference
- Initial Inspection
- Progress Inspections
- Final/Completion Inspections

The LPA rehabilitation specialist, homeowner, and contractor must sign and date these certifications.

All payments to contractors must be signed off by the LPA construction professional, homeowner, and the contractor and submitted with disbursement requests.

The LPA must complete the Property Standard Attestation form based on their own independent site visit in addition to obtaining NYS code compliance sign off from an official qualified to certify NYS code compliance and documentation of both retained in project files.

The Form is located on the HOME website <https://hcr.ny.gov/nys-home-program>.

## Property Standards

The replacement manufactured unit, at a minimum, must meet the following standards:

- The new unit must meet the Manufactured Home Construction and Safety Standards at 24 CFR Part 3280 (which preempt State and Local codes covering the same aspects of performance for such housing).
- Installation must comply with applicable State and Local laws or codes, or in the absence of such laws or codes, the manufacturer's instructions for installation.
- The unit must installed be on a permanent foundation meeting the requirements of 24 CFR 203.43f(c) (i).
- The unit must be connected to permanent utility hookups.
- The sub-standard unit to be demolished must be disposed of in a disposal/recycling facility that is



certified by the NYS Department of Conservation (DEC) to receive, process and recycle and/or dispose of mobile/manufactured home components.

Regarding Asbestos Containing Materials (ACM's), if the unit is not being demolished and can be disposed of whole, the LPA is not required to remove asbestos prior to disposal of the sub-standard unit but must ensure disposal of the unit in an NYS Department of Conservation (DEC) accredited disposal facility. The certified facility will perform the required techniques for identifying and handling ACMs as a part of the disposal in their facility. In addition, the LPA must certify on the Tier 2 site specific review checklist template, that all ACM's will be disposed of at a DEC licensed facility.

If the old unit needs to be demolished prior to disposal, ACM testing and ACM removal must be done prior to demolition.

## Terms of Assistance (POA)

10 Years

• Regardless of amount of funding

HTFC requires that HOME assistance be secured with an HTFC approved security instrument. The Period of Affordability for Manufactured Housing Replacement 10 years.

The security instrument is signed prior to setup in IDIS, typically when the purchase/site work contracts are signed. It is then recorded at the County clerk's office after the unit has been delivered and completed.

MHR units might require additional security documents. See link for Security Instrument(s) to File Based on Activity Chart for more information → [https://hcr.ny.gov/system/files/documents/2021/07/security-instrument-chart\\_activity.pdf](https://hcr.ny.gov/system/files/documents/2021/07/security-instrument-chart_activity.pdf)

Only hard costs, such as the purchase of the unit and site work amount should be included in the amount of the security instrument. Project soft costs and/or project delivery should not be included in the security instrument.

The LPA must keep a copy of the signed security instrument in the client file before the original gets sent for public filing and recording.

Once the project is completed, LPAs must ensure HTFC receives a filed copy of the recorded note and mortgage from the County Clerk.

See also Chapter 5, Securing HOME Funds and Period of Affordability of the General Administrative Plan.

# Chapter Six: Activity Setup and Completion

## Set Up

A Manufactured Housing Replacement Set Up Form located on the HOME website should be submitted when:

- The unit has received Tier 2 environmental approval
- A budget and schedule have been established
- Project underwriting and subsidy layering has been completed
- A written agreement for assistance between the LPA and homeowner has been signed and dated
- Scope of work for replacement has been completed, the work and purchase contracts have been signed and the work is scheduled to start.
- The HTFC note and mortgage has been executed.
- First File Part 1 is approved

The setup amount should include hard costs, soft costs, and project delivery.

All set ups should be submitted to the HOME IDIS mailbox at: [homeidis@hcr.ny.gov](mailto:homeidis@hcr.ny.gov)

## Project Completion

The Completion Report should be submitted with the final disbursement for the project when:

- All construction work has been performed.
- The project complies with the required HOME Property Standards.
- The project complies with NYS and/or Local Code requirements upon completion.
- The homeowner, LPA and Contractor have signed a statement that all construction activity is complete and satisfactory according to program requirements.
- The final drawdown of HOME funds has been submitted for the project.
- The HTFC note and mortgage has been recorded and the documents have been forwarded to HTFC.
- First File Part 2 documentation has been submitted to PM for review and approval

All completions should be submitted to the HOME IDIS mailbox at: [homeidis@hcr.ny.gov](mailto:homeidis@hcr.ny.gov).